Fiscal Note - H.736



### **VERMONT LEGISLATIVE**

# Joint Fiscal Office

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## Fiscal Note

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# H.736 (Act 184) – An act relating to the Transportation Program and miscellaneous changes to laws related to transportation

As Passed by the General Assembly

Link to bill:

https://legislature.vermont.gov/Documents/2022/Docs/ACTS/ACT184/ACT184%20As%20Enacted.pdf

#### **Bill Summary**

he FY 2023 Transportation Bill (H.736) adopts and amends the State of Vermont's annual Transportation Program and contains numerous statutory amendments and funding authorizations related to transportation. The bill, as enacted, also includes five provisions related to revenue-related statutory provisions, none of which are expected to have a material fiscal impact to State government.

Section 36 repeals obsolete administrative language pertaining to the State's former gross receipts assessment on common carriers. Although this tax was formally repealed in 1988, accompanying language remained in statute. Repealing this language will not have a fiscal impact.

**Section 38** includes a technical amendment about right-of-way access permit application fees for certain utility installations to conform the statute with existing practices—with no expected fiscal impact.

Section 49 creates a new, more stringent traffic violation for operating a vehicle in excess of the legal weight limits designated for a covered bridge. The fiscal impact of this provision is not currently known but is likely to be de minimis.

**Section 57** includes a three-year extension of the sunset provision on a State agency or department's authority to set fees for the public use of electric vehicle supply equipment (EVSE) owned or controlled by the State agency or department. State agencies or departments are not currently levying such a fee, but this provision would extend their authority to do so beyond the current sunset of July 1, 2022, until July 1, 2025.

**Section 60** repeals obsolete statutory language pertaining to penalties for violating a specific statute that formerly authorized the Agency of Transportation to issue rules for the use of parking places and picnic grounds within the limits of State highways. The specific statutory language enabling the Agency to enact these rules was repealed in 2007, rendering the language setting the violation amount unnecessary. This provision will not have a fiscal impact.

Fiscal Note - H.736

#### Sec. 36: Repeal of Obsolete 5 V.S.A. Chapter 5

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Act 160 (1988) previously repealed the gross receipts assessment on common carriers that was formerly authorized in 5 V.S.A. § 63. Although Act 160 repealed this assessment more than three decades ago, the accompanying administrative language contained elsewhere in chapter 5 (5 V.S.A. §§ 64 - 67) remained in statute. This language, proposed by the Agency of Transportation, is intended to repeal obsolete statutory provisions and will not have a fiscal impact.

#### Sec. 38: Section 1111 Right-of-Way Access Permits

Section 38 amends 19 V.S.A. § 1112(b)(2) to clarify that the \$100 application fee for right-of-way access permits (often known as "Section 1111 permits") for utility installations that directly connect to the State highway subsurface stormwater system shall be assessed on a per-application, rather than per-connection, basis. This language is a technical amendment that conforms the statute to the existing practices of charging application fees on a per-application basis, regardless of how many connections are contained within the application, and clarifies that permits for stormwater connections are issued for connections to the subsurface stormwater system only (e.g., drains, pipes). A representative from the Agency of Transportation testified to the House Transportation Committee on February 16, 2022, that these applications are relatively infrequent (approximately 10 applications over the last six years) and seldom involve more than one connection to the stormwater system. As this language does not change current practices, it is not expected to have a fiscal impact.

#### Sec. 49: New Traffic Violation for Excessive Weight on Covered Bridges

Section 49 creates a new traffic violation with a heightened penalty for operating a vehicle in excess of the legal weight limits designated for a covered bridge. Currently, 19 V.S.A. § 315 authorizes a fine of not more than \$200 (\$300 for each subsequent offense) for operating a vehicle exceeding the weight limit prescribed on a restricted bridge. Sections 41 and 42 of the bill repeal this provision in Title 19, and Sections 45 and 49 replace it with a new traffic violation in Title 23 specific to covered bridges punishable by a civil penalty of \$1,000, with a \$2,000 penalty if the violation substantially impedes the flow of traffic. The penalties shall be doubled for second or subsequent violations within a three-year period. Data was unavailable at the time of publication for how many violations have been issued under the Title 19 provision specific to covered bridges in recent years, therefore the fiscal impact of this provision is unknown but likely de minimis. Any revenue received from violating this new Title 23 provision would be allocated as follows:

| Penalties and Surcharges                        | Fund Receiving Revenue                             |
|---|--|
| Amount of Civil Penalty                         | Transportation Fund                                |
| Judicial Bureau Surcharge                       | Crime Victims' Restitution Special Fund            |
| (15% of civil penalty amount)                   |  |
| Judicial Bureau Surcharge (\$47 per violation): |  |
| \$29.75   | Victims Compensation Special Fund                  |
| \$10.00   | Domestic Violence and Sexual Violence Special Fund |
| \$7.25  | General Fund                                       |

#### Sec. 57: EVSE Fees Sunset Extension

Section 57 amends Act 59 (2019) to extend by three years the July 1, 2022 sunset contained in 32 V.S.A. § 604 on State agencies' and departments' authority to establish and collect fees from the public use of their electric vehicle supply equipment (EVSE).

32 V.S.A. § 604 permits any agency or department that owns or controls EVSE to establish, set, and adjust fees for the use of that EVSE. The fees may be established at less than costs, to cover costs, or equal to the retail rate charged for the use of EVSE available to the public. Fees collected shall be deposited in the same

2



fund or account within a fund from which the electric operating expense for the EVSE originated. Note that this language does not apply to privately owned EVSE operating through public-private partnerships.

Up to this point, the installation of agency EVSE has been limited in scope and primarily paid for through fleet funds or targeted appropriations, and electricity and maintenance fees have been paid through internal service funds. As of January 2022, neither the Agency of Transportation nor the Department of Buildings and General Services has established or collected fees under the authority of 32 V.S.A. § 604, as there are currently few of these sites in operation, and there are significant administrative and technological issues with implementing a fee for their public use. This provision of the bill, therefore, would have no impact on current State revenues. This provision would, however, allow State agencies and departments to establish and collect fees for the public use of EVSE that they own or control for three years beyond July 1, 2022.

As State agencies and departments continue to plan for deploying EVSE statewide, and as additional privately operated EVSE sites come online, it is possible that agencies will seek to implement fees in the future to help with cost recovery from employees and/or members of the public. Section 58 requires the Agency of Transportation and the Department of Buildings and General Services to make staff available to the General Assembly annually to provide updates on the State's efforts to collect fees (and any applicable fee schedules) for the use of EVSE under State ownership or control.

#### Sec. 60: 19 V.S.A. § 22 Technical Correction

Section 60 repeals 19 V.S.A. § 22, which establishes a fine of \$100 per day for violations of 19 V.S.A. § 21(c). However, 19 V.S.A. § 21(c), which formerly authorized the Agency of Transportation to make rules for the use of parking places and picnic grounds within the limits of State highways, was previously repealed in Act 164 (2007). As the underlying statutory violation was previously repealed, the language contained in 19 V.S.A. § 22 that established the penalty for violating that provision is no longer necessary. This language is a technical correction proposed by the Agency of Transportation and is not expected to have any fiscal impact.

#### **Additional Resources**

State of Vermont Transportation Program (adopted in the Transportation Bill as amended by the Transportation Bill):

https://vtrans.vermont.gov/about/capital-programs

JFO Fiscal Summary Tables of H.736:

https://lifo.vermont.gov/subjects/transportation/transportation-budget